

# PROJECT SELECTION PROCESS



# There are five typical steps in the project selection process:

## 1. A Need is Identified

Every project starts with an idea or need. The impetus for a project can come from any number of sources at the community, state or federal level. Once a need has been identified, project supporters usually approach TxDOT's local district office or their local Metropolitan Planning Organization (MPO). Local authorities are especially familiar with the unique demands of their area and with the needs of the people who live there.

## 2. Building a Successful Financial Plan

Early in the planning process, the district staff, and MPO staff when appropriate, devise a funding strategy for the suggested project. The availability of funding is a major factor in determining whether a project is selected. Projects can be financed through a number of sources, including local funding, state funding (revenue from motor fuel taxes, registration fees, etc.), federal funding, debt financing, pass through financing, toll equity and public-private partnerships. Many projects are funded through a combination of resources.

### **Local Funding**

At the local level, TxDOT, the MPO, local officials and the public evaluate the project and work together to develop a strong proposal. Local transportation professionals, including engineers, planners and environmental specialists, evaluate the project's viability and environmental implications. Different solutions are evaluated and costs are estimated.

### **State Funding**

TxDOT has 12 funding categories to fund various types of projects. Projects fall under the Statewide Preservation and Safety Program (SPSP) and the Statewide Mobility and Supplemental Transportation Program (SMSTP).

### **Federal Funding**

Federal funds come from the Federal Highway Trust Fund, a pool of money generated by federal fuel taxes and other related fees from all 50 states and the commonwealths of the United States.

Money from the Federal Highway Trust Fund is allocated to TxDOT based on formulas established by federal transportation legislation. The distribution of these federal funds throughout the state is based on criteria and funding formulas approved annually by the Texas Transportation Commission.

## 3. Planning Begins

Once a project is supported at the local level, it competes with similar projects for funding. Because projects are often funded through a combination of funding categories at a variety of authority levels, funding can be a complex task.

A small percentage of the total available funding is left to the discretion of the commission. In evaluating which projects will receive this limited money, the commission takes into account whether a project has gained local support and if local funds have been set aside to aid in the project's completion. In addition, the commission considers the recommendations of the MPOs and TxDOT staff. In all cases, the commission attempts to advance those projects that will provide the biggest benefits to the people of Texas.

## 4. Project Development

Building a highway, bridge or other major transportation improvement is a complex, long-term process that involves the participation of both transportation professionals and the public. Local priorities, determined in the communities, form the basis for how projects move through the TxDOT selection process.

Public involvement is a critical part of the development process. Transportation planning, design and right of way acquisition are all primarily accomplished locally by TxDOT districts working with city and county officials. During this process, numerous public hearings and meetings give citizens many opportunities to offer input and be involved in decision-making.

Depending on a project's size and scope, project development can take many years. Once authorized by the commission, a project goes through an in-depth development phase that includes advanced planning, environmental planning and documentation, right of way acquisition and preliminary engineering. When planning and development are completed, the project must go through contract approval before it can be built. The commission makes the final decision authorizing construction, based on the availability of funds and local priorities.

## 5. Construction

Construction contracts are awarded through a competitive bidding process, and the lowest qualified bid is submitted to the commission for approval. After award of the contract, construction begins. Once a project is fully underway, construction oversight and maintenance are accomplished at the district and local level.



# FUNDING AT A GLANCE

Determining funding sources can be a complicated process for any project. This chart provides a general overview of the TxDOT funding categories. Local TxDOT district offices are experienced with project funding and can offer more detailed information specific to a project. Each year, TxDOT funds projects through a comprehensive plan called the Unified

Transportation Program (UTP) utilizing these categories. With the UTP, the commission establishes the criteria and standards for different kinds of projects, thus relieving the commission of the task of approving thousands of projects individually.

## FUNDING AT A GLANCE

FUNDING CATEGORY	STARTING POINT	PROJECT SELECTION	USUAL FUNDING
<b>1 - Preventive Maintenance and Rehabilitation</b>	TxDOT District	Projects selected by districts. Commission allocates funds through Allocation Program.	Federal 90% State 10% or Federal 80% State 20% or State 100%
<b>2 - Metropolitan Area Corridor Projects</b>	TxDOT District	Projects selected by MPOs in consultation with TxDOT. Commission allocates funds through Allocation Program.	Federal 80% State 20% or State 100%
<b>3 - Urban Area Corridor Projects</b>	TxDOT District	Projects selected by MPOs in consultation with TxDOT. Commission allocates funds through Allocation Program.	Federal 80% State 20% or State 100%
<b>4 - Statewide Connectivity Corridor Projects</b>	TxDOT District	Projects selected by commission based on corridor ranking. Project total costs cannot exceed commission-approved statewide allocation.	Federal 80% State 20% or State 100%
<b>5 - Congestion Mitigation and Air Quality Improvement</b>	TxDOT District	Projects selected by MPOs in consultation with TxDOT and funded by districts' Allocation Program. Commission allocates funds based on population percentages within areas failing to meet air quality standards.	Federal 80% State 20% or Federal 80% Local 20% or Federal 90% State 10%
<b>6 - Bridges</b> Federal Highway Bridge Program (HBP); Federal Railroad Grade Separation Program (RGS)	TxDOT District	Projects selected by the Bridge Division as a statewide program based on HBP and RGS program eligibility and ranking. Commission allocates funds through Statewide Allocation Program.	Federal 90% State 10% or Federal 80% State 20% or Federal 80% State 10% Local 10%
<b>7 - Metropolitan Mobility/Rehabilitation</b>	TxDOT District	Projects selected by MPOs in consultation with TxDOT. Funded by district's Allocation Program. Commission allocates funds based on population.	Federal 80% State 20% or Federal 80% Local 20% or State 100%
<b>8 - Safety</b> Federal Highway Safety Improvement Program, Federal Railway-Highway Crossing Program, Safety Bond Program, Federal Safe Routes to School Program, and Federal High Risk Rural Roads	TxDOT District	Projects selected statewide by federally mandated safety indices and prioritized listing. Commission allocates funds through Statewide Allocation Program. Projects selected and approved by commission on a per-project basis for Federal Safe Routes to School Program.	Federal 90% State 10% or Federal 90% Local 10% or Federal 100% or State 100%
<b>9 - Transportation Enhancements</b>	TxDOT District	Local entities make recommendations and a TxDOT committee reviews them. Projects selected and approved by commission on a per-project basis. Projects in the Safety Rest Area Program are selected by the Maintenance Division.	Federal 80% State 20% or Federal 80% Local 20%
<b>10 - Supplemental Transportation Projects</b> State Park Roads, Railroad Grade Crossing Replanning, Railroad Signal Maintenance, Construction Landscaping, Landscape Cost Sharing, Landscape Incentive Awards, Green Ribbon Landscape Improvement, Curb Ramp Program, Coordinated Border Infrastructure Program, Comprehensive Development Agreements and Congressional High Priority Projects	TxDOT District, Texas Parks and Wildlife Department, Other (federal allocation)	Projects selected statewide by Traffic Operations Division or Texas Parks and Wildlife Department or district. Commission allocated funds to districts or approves participation in federal programs with allocation formulas. Coordinated Border Infrastructure Program funds are allocated to districts according to the federal formula.	State 100% or Federal 80% State 20% or Federal 100%
<b>11 - District Discretionary</b>	TxDOT District	Projects selected by districts. Commission allocates funds through Allocation Program.	Federal 80% State 20% or Federal 80% Local 20% or State 100%
<b>12 - Strategic Priority</b>	Commission	Commission selects projects which generally promote economic opportunity, increase efficiency on military deployment routes or to retain military assets in response to the federal military base realignment and closure report, or maintain the ability to respond to both man-made and natural emergencies. Also, the commission approves pass-through financing projects in order to help local communities address their transportation needs.	Federal 80% State 20% or State 100%

# PROJECT SELECTION: PUTTING GREAT IDEAS IN MOTION

Understanding TxDOT's project selection process gives Texans insight about how the roads and bridges we drive on every day are built and maintained. Learning how projects are prioritized and how funding is structured lets Texans know they can participate in the process, make suggestions and propose changes when they encounter a transportation problem.

The department is currently working with local stakeholders and interest groups to simplify and streamline the project selection process. One workgroup is focusing on how to incorporate such details as reasonable financial forecasts into our statewide planning and programming documents and providing opportunities for increased communication with the public. A Transportation Planning and Project Development Rule Making Advisory Committee

is reviewing our current processes to develop new comprehensive planning rules to enhance our accountability, and add industry reporting and performance measures to our process.

The department continues to enhance and improve our public interaction opportunities related to the process. For example, a Project Tracker is now available on TxDOT's Web site to allow anyone to track our projects through the design and construction phases. Because budgets are limited and projects are many, TxDOT continues to seek innovative, creative ways to stretch funds farther and do the most good for the people of Texas. TxDOT will continue to deliver projects that will reduce congestion, enhance safety, expand economic opportunity, improve air quality and preserve the value of transportation assets.

For more information, contact your local TxDOT district office.  
You'll find a complete list of contact information on our Web site at  
[http://www.txdot.gov/local\\_information/](http://www.txdot.gov/local_information/)



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